Market Selection Data:

Region	Market	STARS Data for: Philip Morris total market share	AVG. weekly percent of retail buying Parliament	Market share for Parliament	SDI for Parliament	Menthol share of total market	Nielsen Data for: Philip Morris total market share	Percent of retail carrying Parliament	Market share for Parliament	SDI for Parliament	Menthol share of total market
1		49.07	56.68	2.95	405.34	27.55		96.5			
	Bangor	49.8	25.02	0.61	83.11	15.81		79.6			
	Boston	51.64	70.4	3.07	421.85	20.71		99.2			
	Hartford	47.65	43.09	1.19	163.34	28.41		98.4			
	Rhode Island	49.26	50.43	1.25	171.73	27.62		99.2			
	Albany	47.04	41.45	1.54	211.94	22.65		98.2			
	Syracuse	45.25	44.42	1.55	212.29	21.77		97.1			
	Buffalo	40.63	38.07	0.95	130.47	28.83		93.8			
	New York	53.14	75.04	5.37	737.98	29		99.1			
	Philadelphia	48.04	56.89	2.65	364.53	33.59		98.7			
	Harrisburg	41.52	24.46	0.53	72.16	31.68		83.1			
National AVG:		47.15	20.55	0.73	100	24.82		67			

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Source: https://www.industrydocuments.ucsf.edu/docs/ztbn0004

Incentive Payment Scale:

% of coverage of the Wholesalers sales at retail	Cents per carton payment
0-9.9	4
10-19.9	8
20-29.9	12
30-39.9	16
40-49.9	20
50-59.9	24
60-69.9	28
70-79.9	32
80-89.9	36
90+	40

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Source: https://www.industrydocuments.ucsf.edu/docs/ztbn0004

Incentive Payment Scale:

% of coverage of the Wholesalers sales at retail	Cents per carton payment
0-19.9	4
20-29.9	5
30-39.9	7
40-49.9	10
50-59.9	14
60-69.9	19
70-79.9	25
80-89.9	32
90+	40

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Source: https://www.industrydocuments.ucsf.edu/docs/ztbn0004

Status of Promotions and Offers:

Promotion or Offer	Description	Time Frame	Markets Affected	Affect of Test
14 Count Trial Pack	Parliament Menthol Lights marked "Special Trial Pack" with a reduced list price.	April 29 - May 12	All markets except: Rhode Island, & Bangor	No affect
20 Count Price-off	20 count packs of 79mm and 100mm Parliament Menthol Lights with 40 cents off-invoice price-off.	May 13 - May 31	All markets except: Bangor	No affect
Introductory Allowance to Distributors	An allowance of $6.00 per 6M case invoiced to the distributor during the allocated time frame.	March 11 - April 19	All markets	No affect
Rapid Distribution Allowance to Distributors	An allowance of $6.00 per 6M case invoiced by the distributor to retail during the allocated time frame.	March 11 - April 26	All markets	Replaced with RDT incentive payment scale
Retail Complimentary Product: buy 5 cartons get 1 free	1 free carton of product, to the retailer, for every 5 carton purchase with a maximum of 5 free cartons.	March 11 - April 26	All markets	Not offered to retailers as part of RDT

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Source: https://www.industrydocuments.ucsf.edu/docs/ztbn0004

Volume & Cost Projections:

- Assuming the product introduction goals of 0.3 market share and 90% retail coverage.
- Based on conducting the test in the Bangor Market.
- Projections based on 3rd quarter 1995 figures.

Volume:

Cartons sold in 3rd Qrtr. 1995: 4243786
Weeks in 3rd Qrtr.: 13
Weeks in test: 4
% share of market: 0.30%

Calculation of expected sales during test:

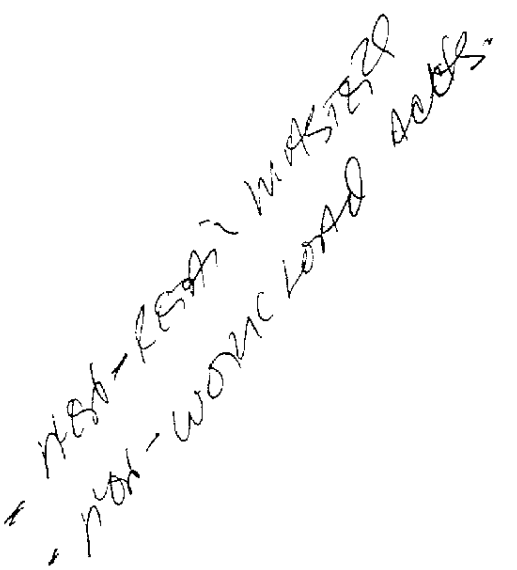
4243786 / 13 * 4 * 0.003 = 3917 Cartons

Cost:

Projected volume of cartons to be sold during test 3917
Maximum pay per carton: $0.40

Calculation of expected cost during test:

3917 * $0.40 = $1,566.80



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Source: https://www.industrydocuments.ucsf.edu/docs/ztbn0004

Volume & Cost Projections:

- Assuming Menthol will receive 1/10 of the market share of Parliament.
- Based on conducting the test in the Bangor Market.
- Projections based on 3rd quarter 1995 figures.

Volume:

Cartons sold in 3rd Qrtr. 1995:	4243786
Weeks in 3rd Qrtr.:	13
Weeks in test:	4
share of market:	0.061

Calculation of expected sales during test:

4243786 / 13 * 4 * 0.061% = 797 Cartons

Cost:

Projected volume of cartons to be sold during test	797
Maximum pay per carton:	$0.40

Calculation of expected cost during test:

797 * $0.40 = $318.80

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Source: https://www.industrydocuments.ucsf.edu/docs/ztbn0004

Financing:

Rapid Distribution Allowance (RDA):

Target carton sales: 3917
Cartons per 6M case: 30
Payment per 6M case: $6.00

Total 6M cases: 3917 / 30 = 131

RDA funds: 131 * $6.00 = $786.00

Retail Gratis Allowance (RGA):

Target Carton Sales: 3917
Retail carton cost: $10.00
Gratis allowance: 20%

RGA funds 3917 * $10.00 * 20% = $7,834.00

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Source: https://www.industrydocuments.ucsf.edu/docs/ztbn0004

Financing:

Rapid Distribution Allowance (RDA):

Target carton sales: 797
Cartons per 6M case: 30
Payment per 6M case: $6.00

Total 6M cases: 797 / 30 = 27

RDA funds: 27 * $6.00 = $162.00

Retail Gratis Allowance (RGA):

Target Carton Sales: 797
Retail carton cost: $10.00
Gratis allowance: 20%

RGA funds 797 * $10.00 * 20% = $1,594.00

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Source: https://www.industrydocuments.ucsf.edu/docs/ztbn0004